

Allstate Insurance Company
National Support Center
1819 Electric Road
Roanoke, VA 24018-1618



Claim# 332 30 62061

To Whom It May Concern:

I, Angie Holshouser, employee of Allstate Insurance Company, Roanoke, Virginia, do
certify that the enclosed is a copy of Policy Number 064 594012,
in the name of William C & Caroline W Prosser
showing the coverages that were on the policy at the time of loss of 5-18-01.

Angie Holshouser
Claim Support

State of Virginia, County of Roanoke

On this 21st day of March, 2005, before me

personally appeared Angie Holshouser to me known to be the person who executed the
foregoing instrument and acknowledged that she executed the same as a free act and
deed.

Kim Ferguson
Notary Public

KIM FERGUSON
NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES 12/31/2005

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Cynthia Heal Agency
PO Box 2730
Palmer AK 99645

Your Quick Insurance Check

- ✓ Verify the information listed in the Policy Declarations.
- ✓ Please call if you have any questions.
- ✓ File this package safely away.
- ✓ If premium is due or if it has changed, a bill or refund will be mailed separately.



William C & Caroline W
Prosser
124 Beaufort Cir
Anchorage AK 99515-3706

Policy Change Notice

A change has been made to reflect new or corrected information affecting your policy. We want your policy information and your coverage to be up-to-date and accurate.

The change took effect on July 25, 2000. The accompanying Amended Policy Declarations includes this change:

Your address has been changed.

There is no change in premium for the current premium period.

The coverages and limits you carry on your policy are listed in detail on the enclosed Policy Declarations. By comparing this Policy Declarations with the most recent Policy Declarations mailed to you, you can see any changes in detail.

If you have any questions or concerns, please contact your agent at (907) 746-0505.

Thanks again—it's a pleasure serving you.

Customer Service Department

Customer Service Department

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PROP *010005100072553002000401*



Information as of
July 25, 2000

EP1

Exhibit A

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Allstate Insurance Company

AMENDED
Personal Umbrella
Policy Declarations

Summary

NAMED INSURED(S) William C & Caroline W Prosser 124 Beaufort Cir Anchorage AK 99515-3706	YOUR ALLSTATE AGENT IS: Cynthia Heal Agency PO Box 2730 Palmer AK 99645	CONTACT YOUR AGENT AT: (907) 746-0505
POLICY NUMBER 0 64 594012 07/19	POLICY PERIOD Begins on July 19, 2000 with no fixed date of expiration effective 12:01 A.M. standard time	PREMIUM PERIOD July 19, 2000 to July 19, 2001 at 12:01 A.M. standard time

Total Premium for the Premium Period (Your bill will be mailed separately)

Excess Liability	\$206.00
Additional Residence or Farm	\$5.00
TOTAL	\$211.00

✓ Premium includes a charge for 2 residences or farms

Your policy change(s) are effective as of July 25, 2000

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PROP *010005100072553002000402*



Information as of
July 25, 2000

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AK08SAM0

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Allstate Insurance Company

Policy Number: 064 594012 07/19 Your Agent: Cynthia Heal Agency (907) 746-0505
 For Premium Period Beginning: July 19, 2000

REQUIRED UNDERLYING INSURANCE LIMITS

COVERAGE	REQUIRED UNDERLYING LIMIT
Residence/Farm Premises	\$300,000
Residence/Farm Employees (Bodily Injury or Property Damage Liability or Single Limit Liability)	\$300,000
Additional Dwelling Rented to Others (Bodily Injury or Property Damage Liability or Single Limit Liability)	\$300,000
Incidental Office, Private School or Studio Bodily Injury or Property Damage Liability or Single Limit Liability (This coverage may be maintained as part of your Comprehensive Personal Liability, Homeowners Liability Insurance or similar package policy)	\$300,000
Automobiles	
Bodily Injury Liability	\$250,000 each person \$500,000 each accident
Property Damage Liability Or Single Limit Liability	\$100,000 \$500,000
For each Automobile you own, maintain or use	
Recreational Motor Vehicles	
Bodily Injury Liability	\$100,000 each person \$300,000 each accident
Property Damage Liability Or Single Limit Liability	\$100,000 \$300,000
Watercraft	
Bodily Injury Liability	\$100,000 each person \$300,000 each accident
Property Damage Liability Or Single Limit Liability	\$100,000 \$300,000
For each Watercraft 26 feet or more in length, or powered by one or more outboard motor with more than 25 total horsepower, or which has total motor power of more than 50 horsepower.	
For Boats not described above: Single Limit Liability	\$300,000
(This coverage may be maintained as part of your Comprehensive Personal Liability, Homeowners Liability Insurance or similar package policy)	

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Information as of
July 25, 2000

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Allstate Insurance Company

Policy Number: 064 594012 07/19 Your Agent: Cynthia Heal Agency (907) 746-0505
For Premium Period Beginning: July 19, 2000

POLICY COVERAGES AND LIMITS OF LIABILITY

COVERAGES	LIMITS OF LIABILITY	
Excess Liability	\$1,000,000	each occurrence

Your Policy Documents

Your Personal Umbrella policy consists of this Policy Declarations and the documents listed below. Please keep these together.

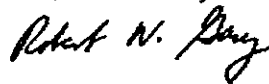
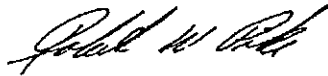
- Personal Umbrella Policy form AP424
- Alaska Amendatory Endorsement form AP608
- Amendment of Policy Provisions form AU2306

Important Payment and Coverage Information

Please note: This is not a request for payment. Any adjustments to your premium will be reflected on your next scheduled bill which will be mailed separately.

In the meantime, if you have any outstanding or unpaid bills, please pay at least the minimum amount due to assure your policy continues in force. If you have any questions, please contact your agent.

IN WITNESS WHEREOF, Allstate has caused this policy to be signed by two of its officers at Northbrook, Illinois, and if required by state law, this policy shall not be binding unless countersigned on the Policy Declarations by an authorized agent of Allstate.



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PROP *010005100072553002000403*



Information as of
July 25, 2000

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AK088AMD

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Allstate Insurance Company

Policy Number: 0 64 594012 07/19 Your Agent: Cynthia Heal Agency (907) 746-0505
For Premium Period Beginning: July 19, 2000

POLICY PROVISIONS: Rates, Policy Forms and Payment of Premiums:

Applicable only with respect to policies issued on a continuous basis.

1. The rates and policy forms in effect for the company upon the inception date of the insurance evidenced hereby, and upon each successive anniversary date, shall apply.
2. The phrase "Policy Period" as used in the policy shall be deemed to mean that period of time while the applicable coverage of the policy is in force.
3. The named insured shall pay the required premium in advance of each successive premium period, and upon notice of interim amendments.

IMPORTANT NOTICE CONCERNING THE INSURANCE YOU MUST MAINTAIN (Not a part of the Policy)

Please read the following provisions of the policy carefully:

(1) Required Underlying Insurance

It establishes the types of insurance and the limits you must maintain.

If, during the policy period, additional liability exposures exist, check the list of Required Underlying Insurance on the policy declarations and secure any needed underlying coverage and limits.

In the event that you fail to maintain the Required Underlying Insurance you may be required to personally incur or expend substantial sums of money for your legal defense and for payment of damages, and with respect to which Allstate has no obligation to pay or provide reimbursement to you.

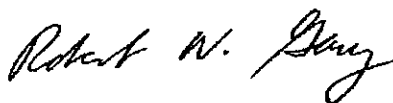
(2) Retained Limits

It identifies the amount of any damages an Insured must pay for any occurrence.

- (3) In the event that additional exposures are acquired after the issuance of this policy, please notify Allstate of the additional exposure as soon as practicable.

None of the terms and conditions of the policy are modified by this Important Notice.

IN WITNESS WHEREOF, the insurer identified on the reverse hereof has caused this instrument to be signed by two of its officers at Northbrook, Illinois.



PROP *010005100072553002000404*



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Allstate Personal Umbrella Policy

Allstate Insurance Company
Home Office: Northbrook, IL
60062

Allstate
You're in good hands.

Allstate
You're in good hands.

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Allstate Insurance Company
The Company Named in the Declarations
A Stock Company — Home Office: Northbrook, Illinois 60062

General Provisions

Definitions Used In This Policy

1. "You" or "your" means the person named on the Policy Declarations as the insured and that person's resident spouse.
2. "Insured person" means:
 - a) You, and any other person who is named on the Policy Declarations;
 - b) any person related to you by blood, marriage or adoption who is a resident of your household; or
 - c) any dependent person in your care, if that person is a resident of your household.
3. "Allstate", "We", "Us" or "Our" means the company named on the Policy Declarations.
4. "Occurrence" means an accident during the policy period, including continued and repeated exposure to substantially the same general harmful conditions during the policy period, resulting in bodily injury, personal injury or property damage.
5. "Bodily injury" means:
 - a) physical harm to the body, including sickness, disease, disability or death resulting from physical harm to the body;
 - b) shock, mental anguish or mental injury.

"Bodily injury" does not include:

- a) any venereal disease;
- b) Herpes;
- c) Acquired Immune Deficiency Syndrome(AIDS);
- d) AIDS related complex (ARC); or
- e) Human Immunodeficiency Virus (HIV)

or any related or resulting symptom, effect,

condition, disease or illness related to (a) through e) above.

6. "Personal injury" — means damages resulting from:
 - a) false arrest; false imprisonment; wrongful detention;
 - b) wrongful entry; invasion of rights of occupancy;
 - c) libel; slander; humiliation; defamation of character; invasion of rights of privacy.

Fines and penalties imposed by law are not included.

7. "Business" means:
 - a) any full or part-time activity of any kind:
 - 1) arising out of or relating to an occupation, trade or profession of an insured person; and
 - 2) engaged in by an insured person for economic gain, including the use of any part of any premises for such purposes. The providing of home day care services to other than an insured person or relative of an insured person for economic gain is a business.
 - b) the rental or holding for rental of any property by an insured person.

Business does not include:

- a) volunteer civic service which an insured person performs without pay for a business which was formed and functions as a not for profit organization and which is not a function of the insured person's occupation, profession or trade.
- b) the occasional rental or holding for rental

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of your primary residence premises for residential purposes;

- c) the rental or holding for rental of a portion of your primary residence premises to not more than two roomers or boarders;
- d) farming;
- e) the occasional or part-time business activities of an insured who is under 21 years of age;
- f) an insured's occupancy of an office, private school or studio located on the primary residence premises; or
- g) the mutual exchange of home day care services.

8. "Business property" means any property on which a business is conducted.

9. "Property damage" means physical harm to or destruction of tangible property, including loss of its use resulting from such physical harm or destruction.

10. "Retained limit" — means the amount of damages an insured person must assume and pay for any occurrence if:

- a) no underlying insurance is required; and
- b) no other insurance applies to the occurrence.

Insuring Agreement

In reliance on the information you have given us, Allstate agrees to provide the coverages indicated on the Policy Declarations. In return, you must pay the premium when due and comply with all policy terms and conditions. This includes maintaining all Required Underlying Insurance.

The terms of this policy impose joint obligations on persons defined as insured persons. This

means that the responsibilities, acts and failures to act of a person defined as an insured person will be binding upon another person defined as an insured person.

This policy provides only excess insurance. It does not contribute with any Required Underlying Insurance or other insurance which applies to an occurrence. It also is excess to any retained limit an insured person assumes.

When and Where The Policy Applies

This policy applies to an occurrence anywhere in the world that takes place during the policy period. The Policy Declarations show the policy period. This policy is not complete without the Policy Declarations.

Conformity To State Statutes

If any provision of this policy conflicts with the statutes of the state in which the policy is issued, the provision is amended to conform to such statutes.

Changes

Premium Changes

The coverage provided and premium for this policy are based on information Allstate has received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete. You agree that, if this information changes or is incorrect or incomplete, we may adjust your coverage or premium accordingly during the policy period or take other appropriate action.

Any calculation or adjustment of your premium will be made using the rules, rates and forms in effect, and on file if required, for our use in your state.

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Coverage Changes

When Allstate broadens coverage during the policy period without additional charge, you have the broadened coverage if you have the coverage to which the changes apply. The broadened coverage applies on the date the coverage change is effective in your state. Otherwise, the policy can be changed only by endorsement.

Duty To Report Policy Changes

Your policy was issued in reliance on the information you provided. Changes may occur to the information you gave us on your application for this policy or to your Required Underlying Insurance policies during the policy period. If so, you must inform us within 30 days of the following:

Changes in:

1. your address or the change of address of any insured person;
2. limits of liability of your Required Underlying Insurance; or
3. types of Required Underlying Insurance.

You do not have to report renewals of your Required Underlying Insurance policies if they have not been revised.

If you sell, acquire or otherwise transfer ownership of any autos, recreational vehicles, watercraft or residence premises, the sale, acquisition or transfer of ownership must be reported to us within 30 days. If you purchase initial or additional autos, recreational vehicles, watercraft or residence premises, you must report those changes to us within 30 days or before the end of the current policy period, whichever is first.

Coverage will continue only if:

- a) you ask us to continue coverage within 30 days or before the end of the current policy period, whichever is first;
- b) we agree to continue coverage based on the change; and
- c) you pay the additional premium.

Any change in your coverage will be made using the rules, rates and forms in effect, and on file, if required, for our use in your state.

Assignment Of Interest

No interest in this policy may be transferred without our written consent. If an insured person dies, coverage will continue for the rest of the policy term for the insured person's legal representative. The representative is covered only while acting in that capacity.

Bankruptcy Or Insolvency

The bankruptcy or insolvency of an insured person or that person's estate will not affect our obligations under this policy.

Cancellation

Your Right to Cancel:

You may cancel this policy at any time. To do so, you must notify us, stating the future date you wish to stop coverage.

Our Right to Cancel:

Allstate may cancel this policy by mailing notice to you at the address shown on the Policy Declarations. Mailing the notice is proof of notice. Coverage will stop at the date and time stated in the notice. If we cancel for non-payment of premium, the date of cancellation will be at least 10 days after the date of mailing. Otherwise, we will give you 30 days notice.

A refund, if due, will be in proportion to the time your policy has been in effect. Cancellation will be effective even if the refund is not made immediately.

Our Right Not to Renew or Continue:
Allstate has the right not to renew this policy. If we do not intend to renew, we will mail notice to you at least 30 days before the end of the policy period.

Concealment Or Fraud

This policy is void if it was obtained by misrepresentation, fraud or concealment of material facts. If it is determined that this policy is void, all premiums paid will be returned to you since there has been no coverage under this policy.

Charge For Insufficient Funds Or Closed Account

If you tender a check to Allstate for any full or partial payment of your premium, and the check is returned to Allstate because of insufficient funds or a closed account, a \$10.00 charge will be added to your account balance.

Excess Liability Insurance

Coverage XL

Allstate will pay damages which an insured person becomes legally obligated to pay because of **bodily injury, personal injury or property damage**, subject to the terms, conditions and limits of this policy. **Bodily injury, personal injury and property damage** must arise from a covered occurrence. We will not pay any punitive or exemplary damages, fines and penalties.

Losses We Cover Under Coverage XL

We will cover an occurrence arising only out of:

1. **Personal activities of an insured person**, including the permissive use of a land vehicle or watercraft owned by an insured person.
2. A volunteer civic service which an insured person performs without pay, for a not-for-profit corporation and which is not a function of that person's business.

Payment or reimbursement for reasonable expenses actually incurred by the insured person in connection with the volunteer civic service is not considered pay.

3. The duties of your domestic or farm employees who are not subject to Workers Compensation Laws.

Exclusions — Losses We Do Not Cover Under Coverage XL

This policy will not apply:

1. To any occurrence arising out of any act or failure to act by any person in performing functions of that person's business.
2. To any occurrence arising out of a business or business property.
3. To any **bodily injury, personal injury or property damage** sustained by any person as a result of an occurrence directly or indirectly related to the employment of this person by any insured person.
4. To any occurrence arising out of the occupancy as an operator or passenger of any land vehicle or watercraft while being used in any way directly related to an insured person's business or business property.

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5. To any occurrence arising out of:

- a) the ownership;
 - b) maintenance; or
 - c) use (including loading or unloading);
- of any aircraft by any insured person.

This exclusion does not apply to the incidental use of an aircraft by you or an insured person as a passenger.

6. To any occurrence arising out of bodily injury or personal injury to an insured person.

7. To property damage to any:

- a) property owned by an insured person; or
- b) property owned by others which an insured person agreed to insure or for which an insured person agreed to be responsible.

8. When an insured person or that person's insurers may be held liable under any of the following laws:

- a) workers compensation;
- b) occupational disease;
- c) unemployment compensation;
- d) disability benefits; or
- e) any other similar law.

9. When an insured person, as an employer, has failed to provide the security required under a workers compensation law or occupational disease law for benefits to that person's employees.

10. To bodily injury or personal injury to:

- a) any employee, other than a domestic or farm employee who is not subject to workers compensation laws; or

- b) any person arising out of corporal punishment administered by or at the direction of an insured person.

11. To bodily injury, personal injury or property damage for which an insured person is also covered under a nuclear energy liability policy, even if the limits of that policy have been exhausted.

12. To bodily injury, personal injury or property damage intended by, or which may reasonably be expected to result from, the intentional or criminal acts or omissions of any insured person. This includes any bodily injury, personal injury or property damage arising out of a violation of a penal law or ordinance committed by or with the consent or knowledge of an insured person. This exclusion applies even if:

- a) such insured person lacks the mental capacity to govern his or her conduct;
- b) such bodily injury or property damage is of a different kind or degree than that intended or reasonably expected; or
- c) such bodily injury or property damage is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether or not such insured person is actually charged with, or convicted of, a crime.

13. To any bodily injury which results in any manner from the discharge, dispersal, release or escape of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.

We do cover bodily injury which results from such discharge if the discharge is sudden and accidental.

14. To any property damage consisting of or caused by vapors, fumes, acids, toxic chemicals, toxic gases, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.
15. To any liability statutorily imposed upon any insured person in any manner for bodily injury or property damage consisting of or caused by vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.
16. To any bodily injury, personal injury or property damage arising from any contract or agreement, whether written or oral.
17. To libel, slander or defamation of character if the first injurious publication or utterance of the same or similar material was made by an insured person prior to the effective date of this policy.
18. To personal injury arising from illegal discrimination.
19. To any claim in which an insured person has concealed or misrepresented any material fact or circumstance.

When We Pay

We will not begin to make payment for any damages resulting from an occurrence covered by this policy until our liability has been determined by:

1. agreement between the claimant and us; or
2. a final judgment against an insured person.

Claim for payment must be made within 12 months after determination of our liability. If additional claims are filed due to the same occurrence, payment will be made within 30 days after the insured person gives us proper proof.

Defense We Will Provide

Allstate will defend an insured person sued as the result of an occurrence covered by this policy.

We will not defend if the occurrence is covered by any Required Underlying Insurance or any other liability insurance available to the insured person. We do maintain the right to join in the defense of any claim or suit which may require us to pay.

If the insured person fails to maintain the Required Underlying Insurance, we will not defend any insured person for any amount of damages falling within the required underlying insurance limits.

We may be prevented from defending an insured person, in any country, due to laws or for other reasons. In that event, we will pay any expense incurred, with our written consent, for the insured person's defense.

We may investigate and settle any claim or suit as we consider appropriate.

Additional Payments We Will Make

In defending an insured person, we will pay the following regardless of our limits of liability:

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1. Premiums on appeal bonds and on bonds to release attachments. We have no obligation to apply for or furnish these bonds.

2. Court costs for defense.

3. Interest accruing on damages awarded. We will pay this interest only until we have paid, tendered or deposited in court the amount of damages for which we are liable under this policy. We will only pay interest on the amount of damages for which we are liable under this policy, not exceeding our limits of liability.

We will repay an insured person for all reasonable expenses incurred at our request, arising from an occurrence we cover. This includes payment for actual loss of wages. We are not obligated to repay any expenses incurred by an insured person if the insured person takes any action or makes any payments other than for covered expenses. Our payment for lost wages will not exceed:

1. \$150 per day; nor
2. A total of \$5000 per insured person.

Retained Limit

Retained limits vary by state. The retained limit that applies to this policy is determined by the state shown in the address in the Policy Declarations and the dollar amount shown below for that state.

Retained limits are:

1. \$1000 in North Carolina and Texas.
2. \$250 in all other states and the District of Columbia.

This amount applies only if this policy applies but your Required Underlying Insurance policy does not include coverage for the occurrence.

An insured person must promptly repay us for any amount we have advanced on that person's behalf which is within the applicable Retained Limit. We will give the insured person notice of any repayment due.

Limit Of Liability

Regardless of the number of:

1. insured persons,
2. claims,
3. claimants, or
4. injured persons

our limit of liability for all bodily injury, personal injury and property damage arising out of an occurrence will not exceed the per occurrence amount shown in the Policy Declarations.

Regardless of the number of insured persons, claims, claimants or policies involved, our total liability under Coverage XL — Excess Liability Insurance for damages resulting from one occurrence will not exceed the limit shown on the Policy Declarations. All bodily injury, personal injury and property damage resulting from continuous and repeated exposure to the same general conditions is considered the result of one occurrence.

Amounts We Pay

We will pay only that amount of damages which exceeds the sum of:

1. the limits of liability of any Required Underlying Insurance which apply to the occurrence; plus
2. the limits of any other liability insurance available to an insured person which apply to the occurrence.

But in no event shall we pay any amount above our limit of liability. We will not pay the difference between the limits specified in this policy as Required Underlying Insurance and any lower limits actually in effect.

If no other insurance is required or no other insurance applies to the occurrence, we will pay only those amounts which exceed the retained limit, up to the applicable limit of liability shown on the Policy Declarations.

Conditions

What To Do If There Is An Occurrence, Claim Or Suit Notice

You must give us prompt written notice of any occurrence to which this policy may apply. You must also promptly give us all legal papers or reports relating to the occurrence when a claim or suit is filed against any insured person. You must also notify your underlying insurer.

Assistance and Cooperation

When we join in defense of any claim or suit, we and the insured person will cooperate in good faith. You must also cooperate with your underlying insurer.

Our Rights Under This Policy

Right of Appeal

If an insured person or any other insurer elects not to appeal a judgment exceeding the limits of the Required Underlying Insurance, any other

insurance or the retained limit, we may do so. We will pay the cost and interest incidental to the appeal. We will not be liable for more than the limit shown on the Policy Declarations plus the incidental costs and interest.

Settlement Or Defense

We may assume control of the settlement and we may assume the defense of any claim or suit against an insured person if:

1. The limits of any Required Underlying Insurance or any other insurance have been exhausted by payment; or
2. The insurer providing the Required Underlying Insurance or any other applicable insurance is or becomes bankrupt or insolvent within one year after the occurrence.

Subrogation

When we pay, an insured person's rights of recovery from anyone else become ours up to the amount we have paid. This includes any rights to claims against any other insurer which failed in its obligation to provide insurance applying to the occurrence.

The insured person must protect these rights and help us enforce them. We cannot be required to exercise these rights.

Required Underlying Insurance

You must maintain the Required Underlying Insurance. You must maintain liability coverage at or above the limits given as Required Underlying Insurance as shown on the Policy Declarations at all times for each liability exposure any insured person has. If you fail to maintain the Required Underlying Insurance applicable to the occurrence, there will be no

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coverage for any insured person under this policy until the damages exceed the Required Underlying Insurance limit for that exposure. If the underlying insurance applicable to the occurrence does not provide at least the limits indicated under the Required Underlying Insurance section of this policy, you will be responsible for the damages up to the Required Underlying Insurance amounts.

If you maintain limits higher than the Required Underlying Insurance limits, this policy will apply as excess above the actual limits you maintain.

If any of your underlying coverage limits are used up, reduced, or canceled:

- a) you must try to replace the coverage; and
- b) you must notify us immediately.

Residence Premises And Residence Employees
You must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for each residence premises you own, maintain or use, either:

- 1) as a separate Comprehensive Personal Liability policy, OR
- 2) as a Homeowners Insurance or similar package policy.

If you have domestic employees not subject to workers compensation laws, you must maintain at least the Required Underlying Insurance listed on the Policy Declarations

- 1) as a separate policy, OR
- 2) as part of your Homeowners Insurance or similar package policy.

Farm Premises And Farm Employees
You must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for each farm premises you own, maintain or use, either:

- 1) as a separate Farmers Comprehensive Personal Liability policy OR
- 2) as part of your Homeowners Insurance or similar package policy.

If you have any farm employees who are not subject to workers compensation laws, you must also maintain at least the Required Underlying Insurance amount coverage either:

- 1) as a separate policy, OR
- 2) as part of your Farmers Comprehensive Personal Liability or similar package policy.

Incidental Office, Private School Or Studio
You must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for each office, private school or studio on your residence premises which is occupied by an insured person, either:

- 1) as a separate policy, OR
- 2) as part of your Homeowners Insurance or similar package policy.

Additional Dwelling Rented To Others
If Coverage XR is indicated on the Policy Declarations, you must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for each additional residence you rent to others, either:

- 1) as a separate policy, OR
- 2) as part of your Homeowners Insurance or similar package policy.

Automobiles

For each automobile you own, maintain, or use, including any machinery or equipment attached to the automobile, you must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for:

- 1) Bodily Injury Liability coverage and Property Damage Liability coverage, OR
- 2) Single Limit liability coverage.

Recreational Motor Vehicles

For each motorized land vehicle you own, designed for use off public roads, whether or not subject to motor vehicle registration, you must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for:

- 1) Bodily Injury Liability coverage and Property Damage Liability coverage, OR
- 2) Single Limit liability coverage.

Watercraft

I. You must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for:

- 1) Bodily Injury Liability coverage and Property Damage Liability coverage, OR
- 2) Single Limit Liability coverage

for each watercraft owned by or rented to an insured person which:

- a) has inboard or inboard-outboard motor power of more than 50 horsepower;
- b) is a sailing vessel 26 feet or more in length;
- c) is powered by one or more outboard motors with more than 25 total horsepower;

d) is designated as an airboat, air cushion, or similar type of watercraft; or

e) is a personal watercraft, meaning a craft propelled by a water jet pump engine and designed to be operated by a person or persons sitting, standing or kneeling on the craft.

II. You must maintain at least the Required Underlying Insurance amount listed on the Policy Declarations for each watercraft you own which is shorter in length and lower in horsepower than those in I above.

You may maintain this coverage as part of your Comprehensive Personal Liability, Farmers Comprehensive Personal Liability, Homeowners Insurance or similar package policy.

Optional Coverage You May Buy

The following optional coverages apply only when they are indicated on the Policy Declarations. The purchase of an optional coverage shall not increase our limit of liability beyond the per occurrence amount shown on the Policy Declarations. Coverage applies to an occurrence only after the damages resulting from the occurrence exceed the Required Underlying Insurance limits or the retained limit for that exposure. The provisions of this policy apply to each optional coverage in this section unless modified by the terms of the specific optional coverage.

Coverage XR**Additional Dwelling Rented To Others**

Coverage XL is extended to cover a one, two, three or four family dwelling rented to others for residential purposes.

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When Coverage XR is purchased:

- a) The dwelling is no longer considered **business property**, and
- b) Rental of the dwelling is no longer considered a **business**.

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Policy Endorsement

The following endorsement changes your policy. Please read this document carefully and keep it with your policy.

This Endorsement Changes Your Policy—Keep It With Your Policy

Alaska Amendatory Endorsement — AP608

The following is added to the Conditions section:

Limitation Of Attorney's Fees

Alaska Rules of Civil Procedure provide that some or all of the attorney fees of a person making a claim against you must be paid by you, if you are held liable.

In average cases, these fees are determined according to the following schedule under Rule 82 of the Alaska Rules of Civil Procedure:

Attorney's Fees in Average Cases

Judgment and, if awarded, <u>Prejudgment Interest</u>	<u>Contested</u>	<u>Without Trial</u>	<u>Non- Contested</u>
First \$ 25,000	20%	18%	10%
Next \$ 75,000	10%	8%	3%
Next \$400,000	10%	6%	2%
Over \$500,000	10%	2%	1%

The court may, in specific cases, deviate from this schedule.

We will pay prevailing party's attorney's fees for which you are liable under Rule 82 of the Alaska Rules of Civil Procedure, subject to the following limitation:

We will not pay that portion of any prevailing party's attorney's fees awarded that are in excess of fees calculated by applying the schedule for contested cases in Rule 82 (b)(1) of the Alaska Rules of Civil Procedure to the limit of liability of the applicable coverage.

This limitation means that the potential costs which may be awarded against you as attorney fees may not be fully covered. You would be responsible for paying any attorney fees not covered.

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For example, the attorney fees provided by the schedule in Civil Rule 82(b)(1) for contested cases is:

20% of the first \$25,000 of a judgment or claim settlement.
10% of the amounts over \$25,000 of a judgment or claim settlement.

If, in a contested case, a court enters an award against you in the amount of \$125,000, in addition to that amount you would be liable under Rule 82(b)(1) for attorney fees of \$15,000 calculated as follows:

20% of \$25,000.....\$ 5,000
10% of \$100,000.....\$10,000

Total Award \$125,000
Total Attorney Fees \$15,000

If you have policy limits of \$100,000, we would pay \$100,000 of the \$125,000 award, and \$12,500 of the Rule 82(b)(1) attorney fees, calculated as follows:

20% of \$25,000.....\$5,000
10% of \$75,000.....\$7,500

Total Limit of Liability \$100,000
Total Attorney Fees Covered \$12,500

You would be liable to pay, directly and without our assistance, the remaining \$25,000 in liability, plus the remaining \$2,500 in attorney fees not covered by this policy.

Any payment made for the covered amount of awarded prevailing party's attorney's fees will be in addition to our limit of liability for this coverage.

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This Endorsement Changes Your Policy — Keep It With Your Policy

Amendment Of Policy Provisions

This endorsement amends all of the following policies: Automobile, Motorcycle, Motorhome, and Personal Umbrella Policy. This endorsement is in addition to all other endorsements which apply to these policies.

It is agreed that the following provision is added to the General provisions:

Conditional Reinstatement

If we mail a cancellation notice because you didn't pay the required premium when due and you then tender payment by check, draft, or other remittance which is not honored upon presentation, your policy will terminate on the date and time shown on the cancellation notice and any notice we issue which waives the cancellation or reinstates coverage is void. This means that Allstate will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

AU2306

Allstate
You're in good hands.

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